

# Fall River Investment Regulations

<b>PERAC Approval Date</b>	<b>Regulation Number</b>	<b>Supplemental Investment Regulation</b>
August 9, 2005	16.08	In accordance with PERAC Investment Guideline 99-2, the Fall River Retirement Board will be transferring a portion of the assets currently invested in SsgA's Bond Market Index Fund into SsgA's Treasury Inflation Protected Securities (TIPS) Index Fund. This would provide diversification benefits to the Board as well as protection against rising inflation. The Board has had a satisfactory relationship with SsgA for fixed income index management, it is satisfied that there is no lower-cost or better-performing product available in the market, and feels that it would be administratively cumbersome to have a separate manager for this portion of the fixed income mandate.
December 20, 2004	16.08	In accordance with PERAC Investment Guideline 99-2, the Fall River Retirement Board is authorized to modify its equity mandate with RhumbLine Advisors by investing in that firm's Russell 1000 Index product as well as it previously-approved Small Cap Index product. Funds for this investment will come from the proceeds of two actively managed large cap accounts run by Freedom Capital Management. These accounts have been terminated by the Board as a result of poor investment performance.
November 6, 2003	16.08	<p>In accordance with PERAC Investment Guideline 99-2, the Fall River Retirement Board is authorized to make a minor modification to its large cap equity account with Freedom Capital Management Company. Some of the assets currently invested in the Freedom Equity Style Fund will be transferred into the Freedom Concentrated Style Fund, which is a "best ideas" version of the former fund, with the same investment universe, benchmark, and portfolio management team.</p> <p>Also in accordance with Guideline 99-2, the Board's fixed income mandate with Freedom Capital is being changed from separate account management to a commingled fund, the Freedom Core Plus Fixed Income Fund, in order to obtain structural efficiency and improve portfolio flexibility.</p>
March 16, 2000	16.08	The Fall River Retirement Board may modify its fixed income mandate with Freedom Capital Management in accordance with PERAC Investment Guideline 99-2. At the manager's discretion, up to 25% of the account may be invested in an opportunistic basis in high yield securities. The board has had a satisfactory relationship with Freedom Capital as its domestic fixed income manager since 1995 and the manager has recently hired an experienced professional to upgrade its capability in the high-yield area.